

JPMORGAN CHASE & CO.

November 7, 2008

Ms. Lindsay Valdeon
Deputy Executive Secretary
Treasury Department

Re: Development of a guarantee program for troubled assets

Dear Ms.Valdeon,

J.P.Morgan Chase & Co. ("J.P.Morgan") is pleased to have the opportunity to comment on the Department of the Treasury's efforts to develop a guarantee program for troubled assets. In the accompanying response, we have endeavored to formulate a general outline that presents, in our view, the major considerations regarding such a program.

We have engaged the concepts of guarantees on securities and mortgage loan guarantees separately in order to capture the distinct challenges posed by each alternative. We delineated the primary benefits and beneficiaries as well as the challenges and risks involved with each approach. In a third section, we discuss specific issues concerning the marketability and sale of government guaranteed assets. We believe that the thoughts raised in this section apply both to guaranteed loans as well as guaranteed securities.

While we have drawn upon a wide range of expertise within the bank in formulating our response, our comments are in no way designed to be exhaustive. We regard our current submission as an opportunity to trigger a dialogue in which J.P.Morgan is fully prepared to participate. We hope that our comments will prove to be useful in the design and implementation of the guarantee program, and emphasize that the J.P.Morgan team stands ready to work with the Department of the Treasury in furthering the effort to strengthen our financial system.

Sincerely,



Barry L. Zubrow
Chief Risk Officer

JPMORGAN CHASE & CO.

J.P.Morgan Chase & Co. Working Group

Asset- Backed Securities Trading

Louis Nees
Managing Director
(212) 834-3494
louis.a.nees@jpmorgan.com

Liam Sargent
Managing Director
(212) 834-2424
liam.o.sargent@jpmorgan.com

Asset- Backed Securities Research

Christopher Flanagan
Managing Director
(212) 270-6515
christopher.t.flanagan@jpmorgan.com

Mortgage Banking

Molly Sheehan
Senior Vice President
(732) 452-8365
molly.sheehan@chase.com

Mortgage-Backed Securities Transaction Management

Jamie Moy
Executive Director
(212) 272-7168
jamie.moy@jpmorgan.com

Government Finance Group

Michael Clare
Managing Director
(212) 834-5160
michael.clare@jpmorgan.com

Fuat Savas
Analyst
(212) 834-9648
fuat.x.savas@jpmorgan.com

Government Relations Group

Naomi Camper
Senior Vice President
(202) 585-3751
naomi.g.camper@jpmorgan.com

Legal and Compliance

Denise Desrosiers
Senior Vice President
(813) 881-2908
denise.desrosiers@chase.com

Samuel Peckham
Vice President
(212) 648-0870
samuel.e.peckham@jpmorgan.com